

deferment on loan payment for borrowers serving in active duty or in the National Guard. This provision sends a strong message of support to our men and women in uniform, and I am pleased to support its inclusion.

While there is plenty to praise in this reconciliation package, I have very strong concerns about the proposals to cut \$4 billion out of agriculture programs. When this Senate debated the spending cuts and reconciliation instructions earlier this year, this body agreed to \$3 billion in agriculture cuts.

While I would prefer no cuts to farm bill programs, I understand that everyone must do his or her part to reduce Government spending. The House of Representatives wanted to cut more out of farm programs, as did the President. I think the Senate settled on a fair amount, and I applaud the chairman of the Budget Committee for retaining that level in conference.

But we are not talking about \$3 billion in cuts, the \$3 billion that we all agreed to. Instead, farm programs are taking a massively disproportionate cut. Commodity and conservation programs are being reduced by nearly \$4 billion. The extra money is not being returned to the Government to pay down the debt. It is going to a select group of interests, to subsidize small dairies. These budget cuts pit one producer against another. My Montana wheat growers are being asked to pay for dairy subsidies. That is simply unreasonable.

In these times of high energy and fertilizer costs, we are asking farmers to bear much more than their fair share of program cuts. I urge my colleagues to reconsider this proposal. Cuts to agriculture spending need to be fair and shared across the board. Giving one sector of one industry a billion dollars for 2 years, at the expense of farmers all over the country sends a terrible message to the hardworking families that feed this Nation.

Lastly, I want to turn to the issue of cuts to Medicare and Medicaid. While I believe the proposals to reform and strengthen Medicare and Medicaid included in this reconciliation package are generally good, there are some issues I want to highlight.

I remain concerned about our community and independent pharmacists. In Montana, they are small business men and women, and, all too often, they are the only place in small towns where folks can get the medication they need. I remain concerned about how this package may affect them and will do what I can to make sure they are not adversely affected by provisions in this bill.

However, this bill also provides funding to states that face shortfalls in the State Children's Health Insurance Program. SCHIP, and expands outreach and enrollment activities to cover more children. The SCHIP program has been incredibly important in Montana, in ensuring children have the health care they need to lead healthy, fruitful

lives. I am glad to see that this bill also establishes a new grant program to finance innovative outreach and enrollment efforts designed to increase enrollment and promote an understanding of the value of health insurance coverage. I expect this outreach to be helpful in Montana, where reaching those in need is often difficult because of the vastness of our state.

This bill will also extend the Medicare Dependent Hospital program, which provides financial protections to rural hospitals with less than 100 beds that have a greater than 60 percent share of Medicare patients. Many of Montana's hospitals fall into this category, as our Medicare population, especially in the most rural areas continues to grow rapidly.

Medicaid options are expanded through the Family Opportunity Act, so that parents of severely disabled children can go to work, without risking Medicaid benefits. New incentives are provided to purchase long-term care, and new resources are provided to help states combat fraud and abuse that steal money away from low-income families that need it the most. These are good reforms, and they will greatly benefit Montanans.

Undertaking spending cuts on any scale is a difficult task. But Congress must do its duty to rein in the growth of the Federal Government, provide incentives to economic growth, and ensure that the safety nets we have in place are truly benefiting those who need assistance most. Although there are certainly things I would change about this package, I urge my colleagues to support it. The American public must know that Congress is willing to make difficult choices to reduce runaway Government spending and use tax dollars wisely. This budget is a good start, and I look forward to supporting its passage.

Mr. ROCKEFELLER. Mr. President, I oppose the legislation the Senate is considering today. This bill does not reflect American values. Although proponents of the bill try to claim that this is a deficit reduction bill, it is transparently not so. This bill is only the first half of their budget policy. The second half, which we will see in a couple of weeks, provides tax cuts almost double the size of these spending cuts. In the end, the policy advanced by this reconciliation process is to increase the deficit by more than \$30 billion in order to provide additional tax cuts while shortchanging valuable programs.

I am extremely concerned about how this legislation will affect the people in my State of West Virginia. I believe that the effect will be very painful indeed. This bill cuts \$10 billion from Medicaid, on which our most vulnerable members of society depend for basic health care. I have fought very hard to improve the provisions of this bill related to Medicare and Medicaid, but I am sorry to say that in the end, this bill will deal a terrible blow to

those programs. And the effects will certainly be felt by our neediest and sickest citizens.

In a letter to the Congress, the National Council of Churches said of this budget bill, "It violates all the fundamental Christian values of loving thy neighbor, caring for the poor, and showing mercy." In fact, they said that this proposed budget would be a "moral disaster of monumental proportion." I think it is a very sad day when the Senate of the United States would vote for such legislation, especially in the context of a fiscal policy that is focused on giving additional tax cuts.

In a broader sense, I am very concerned about what this bill says about the state of Congress' budget process. I am afraid that the budget reconciliation process that was originally intended to help Congress enact difficult policies to reduce deficits is being utterly abused by the majority to enact policies that not only cannot garner broad support but also do nothing to improve our nation's fiscal situation. The unique role of the Senate is undermined when the reconciliation process is used to enact policies that are not related to deficit reduction, most egregiously in this bill drilling for oil in the Arctic National Wildlife Refuge.

Today, Federal Reserve Chairman Greenspan testified to the Joint Economic Committee that unless reversed the nation's "budget trends will cause severe economic disruptions." I agree with Mr. Greenspan, and I stand ready to work with my colleagues toward the goal of deficit reduction. However, the reconciliation process underway in Congress today, in fact, will exacerbate our runaway deficits.

I vehemently oppose this bill. I ask my colleagues to join me in defeating it so that we can make real progress toward improving our Nation's budget situation in a way that is consistent with our American values, in a way that is truly compassionate toward the least fortunate of our fellow citizens.

Mr. President, I also wanted to make a brief statement about the fundamental importance of providing help and support to the families devastated by Hurricane Katrina. This is an unprecedented disaster. Many families lost every thing they own and they have been displaced for months, and that sadly will continue to be the case for quite some time.

For weeks, I joined Senators GRASSLEY, BAUCUS and others to fight for legislation to expand health care coverage for these needy families. Today, I voted for Senator LINCOLN's amendment to expand Medicaid coverage to help the evacuees of this disaster. I am disappointed that this amendment failed by a vote of 52 to 47. These families need and deserve health care. It is tragic that the Senate refused to help vulnerable Americans.

On the education front, the reconciliation package included by voice vote an Enzi-Kennedy amendment to provide support to the schools that have